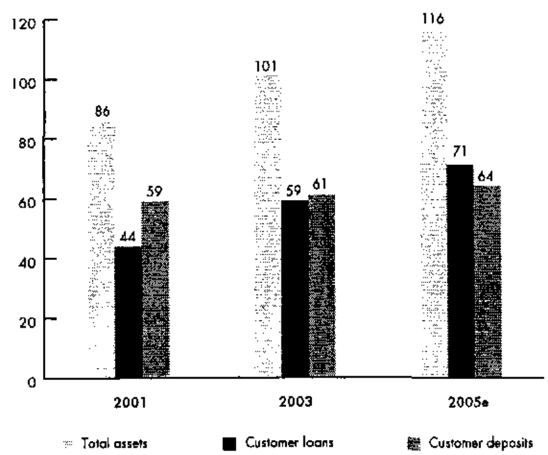
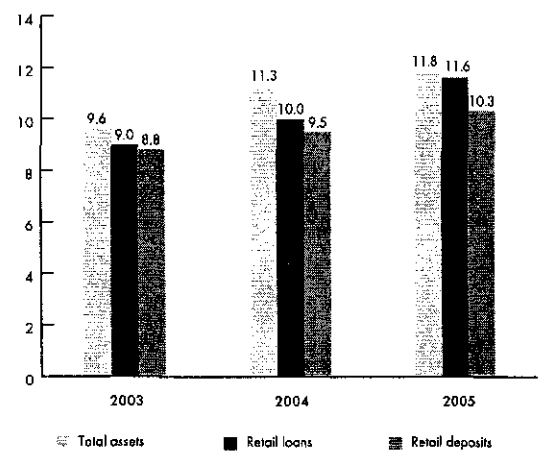
Financial intermediation – Croatia (in % of GDP)



Source: Croatian National Bank, Eurostat.

Market shares – Croatia (in %)



Source: Erste Bank Croatia, Croatian National Bank.

ded in 2001. Growth of the sector was mainly driven by the asset side, in particular by household loans which rocketed over the same period from 18.2% of GDP to 35.8%. As was the case in our other central and east European markets, growth within household loans was fuelled by strong demand for residential mortgages: the mortgage/GDP ratio leapt from 5.3% in 2001 to 12.5% in 2005. On the liability side, deposit growth was more moderate, but still measurable. The deposit-to-GDP ratio grew from 59% in 2001 to 64% in 2005; while other growth in competing investment products, such as funds was even stronger.

As in Hungary and in contrast to the Czech Republic and Slovakia loan growth was driven by increased foreign exchange lending. The Croatian National Bank, whose main aim is to maintain exchange rate stability, reacted by increasing the marginal reserve requirement on foreign liabilities of commercial banks twice in 2005. This was followed by an additional step in 2006. While such measures do cover banks, they do not cover leasing companies, which continue to record even stronger growth rates than banks.

The positive market environment provided a solid base for Erste Bank Croatia's growth. In fact, the bank outperformed market growth in all segments. This impressive development translated into the following market shares in 2005: 11.8% of total assets, strongly up from 9.6% just two years ago, 11.6% in retail loans, substantially up on both 2003 and 2004; and, 10.3% in retail deposits, equally a healthy improvement on the levels registered in the two previous years.

BUSINESS REVIEW

Strategy. Erste Bank Croatia's strategic objective is to further expand its market position as a premier provider of universal financial services in Croatia, catering in particular to a broad base of retail and mid-market corporate clients. To achieve this, the bank is constantly developing its product portfolio and distribution capabilities, in order to bring innovative financial solutions closer to its customers. A continuous emphasis on quality improvement in the services and products offered as well as a proactive and personalised approach to customers, is at the core of the bank's strive for delivering superior value to its clients.

Highlights 2005

Strong retail business. Erste Bank Croatia posted exceptional growth rates in its retail lending activities (retail loans grew by about 40% in 2005), rounding off the very positive picture seen throughout Central and Eastern Europe. In so doing it attracted close to 50,000 new customers. Lending growth was driven by substantial increases of the customer base, as well as continued product innovation. By launching several new and highly successful mortgage and consumer lending products, Erste Bank Croatia strengthened its position as one of the most dynamic banks in the retail market. On the liability side the bank introduced new saving products, such as structured deposits with a capital guarantee.

Continued market share gains in corporate business. In the area of corporate lending, Erste Bank Croatia maintained its solid growth and increased its market share by a full percentage point to some 13%. This growth was driven by ongoing strong performance in the SME segment, as well as significant gains in the segment of large corporates and project finance.

Expansion of distribution capabilities. In line with its expansion strategy, Erste Bank Croatia opened 11 new branches in 2005, more than any of its competitors. This strengthened the bank's geographic coverage considerably, particularly in eastern and southern Croatia, where growth opportunities are the most attractive. In the area of alternative distribution channels, the bank significantly upgraded its capabilities by launching an operator-independent mobile phone banking platform combining the advantages of JAVA and GPRS technologies. Erste Bank Croatia is among the first five banks world-wide to introduce such level of functionality for mobile phone banking.

Leadership in fund management. On the back of excellent cross-selling results the Croatian asset management subsidiary posted one of the highest growth rates in the industry in 2005, continuing its very strong performance from 2004. Furthermore, the group's asset management subsidiary won the management mandate for a large, government-sponsored fund project, thus reaching the position of the largest asset manager in Croatia with a share of over 25% of total assets under management.

National recognition. Erste Bank Croatia was for the first time ever named the „Best Bank of the Country" in 2005 in an annual competition sponsored by the Croatian Chamber of Commerce recognising its achievements in innovation and customer service.

Outlook 2006

In 2006 Erste Bank Croatia will very much build on the successes of 2005. In line with its customer-centric approach, the bank aims to continuously expand its offering in order to position itself as an integrated solution-provider for the growing investment and financing needs of its customer base. More specifically, it will move forward with further branch expansion, opening additional 10 – 15 branches over the next two to three years in order to take advantage of the strong momentum in its retail business. While pursuing an accelerated growth path, Erste Bank Croatia is committed to delivering strong financial results to its shareholders and aims to maintain target return on equity levels at or above 20% over the medium term, with a cost/income ratio in the low 50-ies. All targets relate to locally reported figures.

Financial review

in EUR million	2005	2004
Pre-tax profit	52.7	43.2
Net profit after taxes and minority interests	25.6	22.1
Cost/income ratio in %	52.3	56.6
Return on equity in %	14.8	17.7

In 2005, Erste Bank Croatia's net profit after taxes and minority interests rose by 15.7%, or EUR 3.5 million, from EUR 22.1 million to EUR 25.6 million. This modest increase relative to that of pre-tax profit was due to the increase in minority interests following Erste Bank AG's sale of a 15% equity interest to Steiermärkische Bank und Sparkassen AG (thereby reducing its majority stake from 59.8% to 51.4%). Pre-tax profit increased by 22.0%, or EUR 9.5 million, from EUR 43.2 million to EUR 52.7 million. The return on equity contracted from 17.7%

to 14.8% as a result of the overall higher equity allocation and the aforementioned increase in minority interests. The cost/income ratio, meanwhile, fell from 56.6% to 52.3%.

Net interest income rose by 18.7%, or EUR 15.8 million, mainly as a result of the more than 30% increase in loans and advances to customers. After adjusting for the legally mandated reclassification of the derivatives result of EUR 9 million from net interest income to the net trading result, net interest income rose by 27%, which largely reflected the expansion of the lending business.

Given the existence of non-recurring items in 2004, such as the reduction in general risk provisions required by the Croatian central bank and loan recoveries, last year's EUR 9.4 million increase in loan loss provision expense is not directly comparable. In 2005, changes in risk provision totals reflected the growth of the credit portfolio.

Net commission income increased by 39.4%, or EUR 6.6 million, from EUR 16.7 million to EUR 23.3 million through gains in the payment transactions, credit and debit card businesses. The net trading result increased by an even greater margin, advancing by 62.4%, or EUR 7.8 million, from EUR 12.6 million to EUR 20.4 million. This gain resulted primarily from the aforementioned reclassification of the derivatives result from net interest income as well as higher foreign exchange trading income.

In 2005, Erste Bank Croatia's expansion strategy led to a 17.0%, or EUR 10.9 million, increase in general administrative expenses from EUR 64.3 million to EUR 75.3 million. The increase resulted from the opening of new branches and the partly related increase in the average number of employees as well as product launch expenses.

ERSTE BANK SERBIA

Business profile. Erste Bank Serbia is one of Serbia's smaller banks, with a market share of approximately 2%. Its operations are concentrated in the Vojvodina region, one of Serbia's more prosperous regions, where it is the second largest bank by asset market share. The bank has some 900 employees, 66 branches, and serves around 260 thousand customers.

ECONOMIC REVIEW

Erste Bank Serbia operated in a mixed economic environment in 2005. While GDP growth was healthy at an estimated 4% in 2005 it did not reach the previous year's exceptional level of more than 8%. At the same time, GDP/capita equalled EUR 2,500, a level that is much lower than in the other markets we operate in. While the Serbian economy grows strongly it is not yet as balanced as those in more developed central and east European countries. A point in case is the huge trade deficit, a result of strong domestic demand combined with the late start of privatisation and restructuring efforts. Serbia's ongoing transformation process is also reflected in a relatively high unemployment rate, which stood at an average 20% in 2005.

The Serbian interest rate environment is characterised by high nominal and real interest rates, and a higher level of volatility than in more developed countries. This is due to inflation fluctuations, which also impact the exchange rate versus the Euro: it is broadly stable in real terms, but depreciates in nominal terms, in line with inflation.

While the trade balance is heavily in the red as a result of strong domestic demand and responsible for a persistent, double digit current account deficit, the fiscal situation is very much under control and actually in positive territory: the general government surplus reached an estimated 1.4% in 2005, up from a flattish -0.3% in the previous year. Foreign direct investments picked up in 2005, following good privatisation progress, especially in the banking sector.

MARKET REVIEW

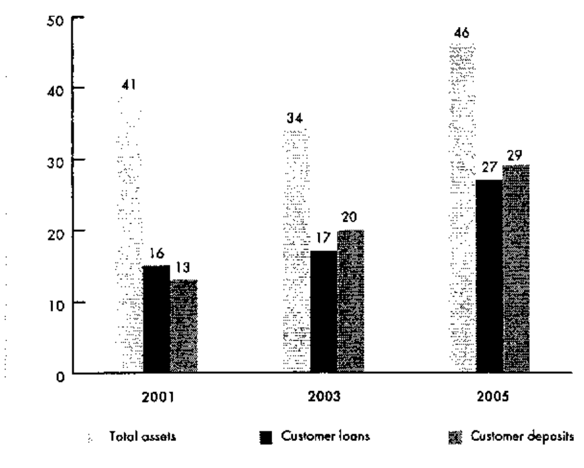
The Serbian banking sector experienced very strong growth over the last two years, albeit from a very low base. This was mainly driven by a boom in imports and financed largely by the expansion of private sector credit. The regulatory environment also improved with the adoption of a new deposit insurance law. The development of the banking sector was also aided by strong privatisation activity.

Following a period of falling penetration ratios, during which the central bank revoked the licenses of some of the largest banking groups in the country, Serbia is now firmly on track of catching up with its central and east European peers. Assets/GDP reached a level of 46% at the end of 2005, strongly up

Key economic indicators – Serbia	2002	2003	2004	2005e
Population (ave, million)	7.5	7.5	7.6	7.6
GDP (nominal, EUR billion)	15.1	16.8	18.2	19.0
GDP/capita (in EUR thousand)	2.0	2.2	2.4	2.5
GDP growth (real, in %)	4.5	2.4	8.6	4.0
o/w: domestic demand contribution (in %)	na	na	na	na
Exports (% of GDP)	20.4	20.3	23.8	26.3
Imports (% of GDP)	43.4	43.2	53.2	48.5
Unemployment (% of labour force)	13.3	14.6	18.5	20.0
Consumer price inflation (ave, in %)	16.6	9.9	11.4	15.0
Interest rate (1m interbank offer rate, in %)	na	na	na	20.2
EUR FX rate (ave)	60.7	65.2	72.6	82.7
EUR FX rate (eop)	61.5	68.5	78.9	85.5
Current account balance (% of GDP)	-10.0	-9.2	-13.0	-11.0
General government balance (% of GDP)	-4.6	-3.4	-0.3	1.4

Source: Vienna Institute for International Economic Studies.

Financial intermediation – Serbia (in % of GDP)



Source: National Bank of Serbia.

from 34% two years ago. In a similar fashion loan penetration rose by more than 50% over the same period. Deposits/GDP increased as well, but to a lesser degree.

BUSINESS REVIEW

Strategy. Erste Bank Serbia's strategic aim is to strengthen its market position in the Vojvodina region and in Serbia as a whole, aiming to increase its total asset market share from some 2% to 10% by 2010. To this effect Erste Bank Serbia intends to make substantial investments into the expansion and refurbishment of the branch network. The bank plans to open about 15 branches in 2006 and an additional 20 outlets each in 2007 and 2008.

Highlights 2005

Start of transformation programme. The key achievement of 2005 at Erste Bank Serbia was the launch of the transformation programme in September 2005. It concentrates on organisational restructuring, the appointment of key management personnel as well as on the upgrading of risk management, accounting and controlling policies to group standards. In addition Erste Bank's name and logo replaced the former Novosadska banka brand at the end of December when the first new branch in Belgrade was opened in the new design.

Outlook 2006

The focal point of 2006 will be the continued execution of the transformation programme. The emphasis will be on product redesign, improvements in process efficiency, increased training for the employees and upgrading of the IT infrastructure. As a result service quality for our customers should improve noticeably.

In addition, the planned expansion and refurbishment of the branch network as well as the launch of special business development initiatives in the retail mortgage lending area and special long term financing schemes for SME clients are expected to result in considerable growth of business volume.

Financial review

in EUR million	2005	2004*)
Pre-tax loss	8.8	
Net loss after taxes and minority interests	8.3	
Cost/income ratio in %		
Return on equity in %		

*) Segment contribution; no comparable figures for 2004.

In 2005, the net loss after taxes and minority interests totalled EUR 8.3 million, largely as a result of the EUR 5.8 million in restructuring costs booked in 2005. Loans and advances to customers increased by 26.6% to EUR 127 million. Following Erste Bank Serbia's consolidation within the Erste Bank Group, the bank's performance improved dramatically. From September through December 2005, retail loan volume grew by 41.4%, well above the market average of 29.2%. Erste Bank Serbia's performance in the corporates and SME segment was even better, with a 47.0% increase compared to only 15.7% for the market.

This spectacular volume growth was also reflected in net interest income, which rose by 132.9% from EUR 3.8 million to EUR 8.8 million. After factoring in restructuring costs, operating profit was up 94.1%. Excluding these costs, the increase would have exceeded 500%. Despite the booking of restructuring costs, the cost/income ratio remained unchanged from 2004.

INTERNATIONAL BUSINESS

Business profile. The International Business segment covers commercial lending to foreign banks, leasing companies and sovereign debtors, excluding treasury-related interbank business, of Erste Bank's branches in London, New York and Hong Kong as well as of Erste Bank Vienna and Erste Bank Malta.

Erste Bank's London Branch, with some 40 employees, is a wholesale banking operation with a service portfolio ranging from leveraged finance, asset backed securities, structured trade and commercial property to aircraft finance. The New York Branch is a US federally licensed wholesale banking operation. With about 30 employees and a USD 10 billion balance sheet, the branch operates via its lending and treasury profit centres. The Hong Kong Branch is Erste Bank's sole Asia Pacific point of representation. It employs some 20 staff and engages in regional wholesale lending and treasury trading.

BUSINESS REVIEW

Strategy. To achieve the greatest possible group-wide diversification of the credit portfolio and accompanying credit risk diversification, the activities of the international business are intended to balance out the loan books of the extended home market. The strategic focus remains the participation in primary market credit syndications as well as secondary market underwriting, but no direct client business.

Highlights 2005

New York exceeds budget targets. In comparison to 2004 the volume of commitments rose by 25% to EUR 1.8 billion; in contrast the size of the overall loan portfolio remained stable as a result of a moderate increase in corporate lending and a minor reduction in trade finance volumes. Operationally, the New York Branch also registered a very satisfactory development, as it exceeded budget by approximately 16%, achieved a fully-allocated return on capital in excess of 25% and cut general expenses by 5% while maintaining a stable headcount. Additionally, loan portfolio quality was further improved while enhancing portfolio liquidity and diversity, to the extent that no specific credit provisions were required during the year.

London Branch with low credit costs. Despite the upheaval and the big challenges in the airline industry and in aircraft finance, the branch has managed the existing portfolio well and incurred low credit expenses in 2005. In executing selected new leasing transactions, it benefited from the experience gained in the last business cycle. As for Western European acquisition finance, the market was somewhat sluggish in 2005. Overall, commitments rose from EUR 2.5 billion in 2004 to EUR 2.8 billion in 2005, or 11%. For 2006 the signs are for stronger growth, which should lead to an improved deal flow.

Hongkong outperforms targets. Notwithstanding continued pressure on lending margins and with the benefit of lower than planned credit costs, all 2005 financial targets were surpassed. 2005 loan volume, as measured by commitments, exceeded last year's level by 25% and reached EUR 2.3 billion, primarily as a result of increased lending to financial institutions. The focus continued to be on the maintenance of a high-grade portfolio of regional credit exposures principally to governments and their related entities, financial institutions, industry leading corporate entities engaged in staple industries and asset backed securities. The investment grade portion of the loan portfolio was maintained at 87%.

Vienna Profit Center. In spite of sizeable redemptions, the Vienna Profit Center has grown its commitments by EUR 1.9 billion or 25%, to a total exposure of EUR 9.5 billion. At the same time credit quality remained stable, with a share of assets rated investment grade of 86%. Some 96% was concentrated financial institutions and sovereign borrowers. The proportion of credit default swaps continued to grow and represented approximately one third of the portfolio at the end of 2005.

Outlook 2006

In 2006, we will continue to implement our conservative credit policy. We will pay close attention to the selection of transactions in light of the weak demand on the one hand and high liquidity on the other. As has been the case for many years, the capital efficiency of individual transactions will be among the top criteria in our credit decisions, given the implementation of Basle II. In order to overcome the expected pressure on margins, we plan to examine alternative investment opportunities to a greater extent.

Financial review

in EUR million	2005	2004
Pre-tax loss	158.5	120.4
Net loss after taxes and minority interests	113.2	93.6
Cost/income ratio in %	19.7	19.1
Return on equity in %	22.9	22.8

In 2005, net profit after taxes and minority interests advanced by a substantial 20.8%, or EUR 19.6 million, from EUR 93.6 million to EUR 113.2 million. This favourable earnings growth was primarily due to the increased lending volume in Vienna, while the foreign subsidiaries also contributed as a result of the decrease in risk provisions, which benefited from unexpectedly high loan recoveries as well as necessary releases of existing provisions. The cost/income ratio rose slightly from 19.1% to 19.7%, while the return on equity remained essentially unchanged at 22.9%.

Despite the expected narrowing of credit margins and restrained volume growth on account of unfavourable market conditions, net interest income increased by a slight 1.3%, or EUR 2.0 million, from EUR 150.8 million to EUR 152.7 million. In particular, the New York Branch's results were slightly below expectations on account of depressed secondary market activity, weak demand from Latin American banks and lower margins.

Net commission income posted a very satisfactory increase of 30.5%, or EUR 6.9 million, from EUR 22.5 million to EUR 29.4 million. This rise resulted from one-off gains in the area of securities transactions and increased volume, mainly in Hong Kong and Vienna. The net trading result contracted slightly by EUR 1.7 million.

General administrative expenses rose by 7.2%, or EUR 2.4 million, from EUR 33.4 million to EUR 35.8 million, driven by higher personnel costs and currency effects. The other operating result advanced sharply by EUR 7.7 million from a loss of EUR 5.7 million to a gain of EUR 2.0 million as a result of the decline in impairment charges on other financial assets.

CORPORATE CENTER

Business profile. The Corporate Centre segment encompasses those banking activities that do not qualify for direct allocation to business lines, including non-banking subsidiaries, e-business and subsidiaries that provide marketing, organisation, information technology and other support services. The Corporate Centre segment also includes intragroup profit and loss eliminations, which make line-item and period-to-period comparisons of the results of this segment not meaningful. By reporting the one-time effects of business disposals and expenses for group-wide projects in the Corporate Centre segment, we seek to improve the period-to-period comparability of the results of our core business segments.

BUSINESS REVIEW

Highlights 2005

Effective marketing. Last year, our marketing activities in Austria focused on wealth creation and estate transfer. Through our initiatives to sell securities based savings plans, we contributed to the increase in securities volume. The estate transfer theme continues to play a growing role in the light of demographic changes. Last year, we made further progress towards our goal of positioning ourselves as a long-term and forward looking partner for financial planning in the estate transfer area.

In Central and Eastern Europe, Erste Bank Hungary successfully borrowed from a current advertising concept in Slovakia. This represented a first use of major synergies and enabled us to repeat the success of the concept in Hungary. In Serbia, the decision was reached in October 2005 to re-brand Novosadska Banka under the Erste Bank Serbia name. In the Czech Republic, we finished integrating the marketing departments of the local bank subsidiaries into the marketing department of Česká spořitelna. This move generated significant synergies and further strengthened the Česká Spořitelna brand as the major distribution channel for products of the subsidiaries such as leasing, insurance and mortgage savings plans.

Increased use of electronic channels. In 2005, we also stepped up our efforts to shift standardised services towards complementary online distribution channels. In the retail banking segment, we saw an increase in the number of clients who registered for – and regularly used – netbanking, the online service of Erste Bank and the savings banks. Last year, the number of registered users at Erste Bank and the savings banks increased by 11% from 570 thousand to 633 thousand, while the use of netbanking by retail clients increased by a disproportionate 18.8% from 240 thousand to 285 thousand.

In 2006, the multichannel management activities will continue to focus on adapting the product range and service processes to online distribution channels and making them directly accessible in order to further improve and expand rapid and transparent processing. For retail banking clients, we will redouble our efforts to increase the use of direct access and online services. For our corporates and SME clients, we will continue to exploit all possibilities for shifting transaction services from paper-based to electronic payments.

Financial review

in EUR million	2005	2004
Pre-tax loss	73.4	53.0
Net loss after taxes and minority interests	81.1	86.9
Cost/income ratio in %	-	-
Return on equity in %	-	-

The trends for net commission income and general administrative expenses were largely determined by profit consolidation of bank support operations, as general administrative expenses rose in large part through capital expenditure for group-wide projects launched in 2004, reduced inter-company eliminations of group services for central European units and due diligence expenses. The deterioration in the other operating result was mainly due to the aforementioned non-recurring items assigned to the Corporate Center, in particular the proceeds from the sale of Investkredit in the fourth quarter of 2004 and gains on real estate disposals in the fourth quarter of 2005.

The major change in tax expense resulted from the non-recurring tax charge related to the write-down of deferred tax assets in the first quarter of 2004 as a result of the decrease in the Austrian corporation tax (KÖST) from 34% to 25% as of 1 January 2005.

"Life is upside down"

Last year was an eventful one for the Miklosova family. For Andrea and her husband Erik, an engineer, the birth of their son Filipko, as he is affectionately called by his parents, was clearly the most exciting development. Since then, the now five-month-old baby has become the centre of the family. Far less eventful but not insignificant was the purchase of a new car. Every day, Erik Miklos commutes for a solid hour to reach his job as an air traffic controller at the Bratislava airport. Flexibility is crucial, given the difficult environment in the Slovakian job market. Even though the economy grew by 5.7% last year and the unemployment rate fell from 18.1%, unemployment remains high at 16.4%. Therefore one thing is clear for the Miklosova family: they want to stay in their home town of Sala.

Erste Bank: "Ms. Miklosova, you have a family now. Your son Filip is several weeks old."
Andrea Miklosova: "And everything revolves around him! (laughs) Isn't he wonderful? We are so lucky!"
Erste Bank: "Will you now all move to Bratislava, Herr Miklos, so that you can spend more time with your family?"
Erik Miklos: "It is true that during the week I don't get much time to be with my family. But in any event, we plan to remain in Sala."
Andrea Miklosova: "We feel very good here. Moreover, we have our family and friends nearby. And that is also important for later, when I start working again."
Erste Bank: "How long is your commute each day?"
Erik Miklos: "About two-and-a-half hours. Sure, it's long. Therefore I bought a new car. That makes the daily commute somewhat easier. And every evening I am happy to be home. I am already curious to see when Filipko will really be able to greet me for the first time. For now he sleeps most of the time."
Andrea Miklosova: "Except at night!" (laughs)
Erste Bank: "With a child come many changes..."
Andrea Miklosova: "For sure! With our little Filipko, for example, we will soon need more room. Therefore we will build a new house here in Sala. It should be ready by the end of 2008 at the latest."
Erik Miklos: "Also, Andrea is on maternity leave."
Andrea Miklosova: "But as soon as little Filip is ready, I would definitely like to go back to work. After all, I have a degree in business management, and I would like to put it to use. In addition, I took out a loan in order to pay for the studies. I would like to pay that off as quickly as possible."
Erste Bank: "We wish you the best of luck in that endeavour. We would like to remain your trusted partner in the future."
Erik Miklos: "We will certainly take you up on that for our new house!"

Miklosova family, clients of Slovenská sporitel'ňa, Slovakia

Credit Risk Report

INTRODUCTION

The credit exposure corresponds to the total of the balance sheet items loans and advances to credit institutions and loans and advances to customers, all fixed-income securities (held in the trading book, other current assets or financial investments), off-balance sheet credit risks in the form of guarantees and letters of credit, and finally the investment portfolio of insurance company s Versicherung.

The Erste Bank Group's total credit exposure as of 31 December 2005 increased by 11.3%, or EUR 14.9 billion, relative to the previous year to reach EUR 146.9 billion. This increase broke down as follows: EUR 5.3 billion at Erste Bank AG (mainly interbank transactions and securities investments); EUR 5.8 billion at the subsidiaries in the central European core markets (growth in lending volume, in particular to private households); EUR 1.9 billion at the Haftungsverbund and independent savings banks (mainly growth in the retail lending business); EUR 1.1 billion at s Versicherung.

RISK CLASSES

The allocation of credit exposure into the following risk classes is based on internal client rating systems, which comprise five rating levels for private individuals and 14 rating levels for corporate clients. Credit exposure is divided into the following risk classes.

_Low risk: the borrower demonstrates a strong repayment capacity; new business generally involves clients in this risk class.

_Management attention: the borrower's financial situation is in effect good, but his repayment ability may be negatively affected by unfavourable economic conditions. New business with clients in this risk class requires adequate structuring of the credit risks, e.g. by way of collateral.

_Substandard: the borrower is vulnerable to negative financial and economic impacts; such loans are managed in specialised risk management departments.

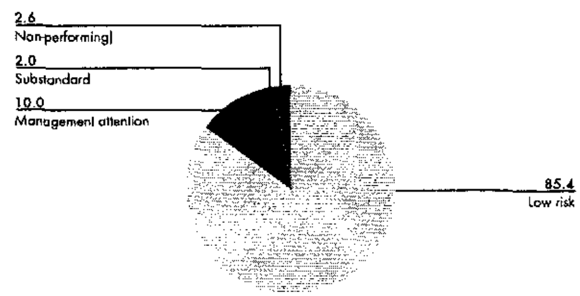
_Non-performing: at least one of the default criteria under Basle II, e.g. total repayment unlikely, interest or principal payment more than 90 days past due, restructuring resulting in a loss to lender, realisation of a loan loss, or opening of bankruptcy proceedings.

CREDIT RISK REVIEW

Overall trend

The increase in overall credit exposure was limited to the two best risk classes (low risk and management attention). Credit exposure with high default risk posted significant declines, while the non-performing class contracted slightly.

Credit exposure by risk class in 2005 (in %)



Of Erste Bank Group's total credit exposure, 85.4% was concentrated on the best risk class and 10% on the second-best, while the relative shares of the two highest-risk classes contracted significantly.

Credit exposure by risk class – 2005 vs 2004

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Total exposure at 31 Dec 2005	125,296	14,751	2,973	3,833	146,853
% of total	85.3	10.0	2.0	2.6	100.0
Risk provisions at 31 Dec 2005	106	152	514	2,115	2,886
% of exposure	0.1	1.0	17.3	55.2	2.0
Total exposure at 31 Dec 2004	112,235	12,406	3,473	3,879	131,993
% of total	85.0	9.4	2.6	2.9	100.0
Risk provisions at 31 Dec 2004	93	107	484	2,185	2,869
% of exposure	0.1	0.9	14.0	56.3	2.2
Change in total exposure in 2005	13,061	2,345	-500	-46	14,861
% change	11.6	18.9	-14.4	-1.2	11.3
Change in risk provisions in 2005	13	45	30	-71	17
% change	14.0	42.1	6.1	-3.2	0.6

Credit exposure by risk class/Austria

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Total exposure at 31 Dec 2005	51,651	10,672	2,305	2,932	67,559
% of total	76.5	15.8	3.4	4.3	100.0
Risk provisions at 31 Dec 2005	21	38	372	1,560	1,992
% of exposure	0.0	0.4	16.2	53.2	2.9
Total exposure at 31 Dec 2004	49,591	9,242	2,894	3,033	64,760
% of total	76.6	14.3	4.5	4.7	100.0
Risk provisions at 31 Dec 2004	12	20	391	1,577	2,001
% of exposure	0.0	0.2	13.5	52.0	3.1
Change in total exposure in 2005	2,060	1,430	-590	-102	2,799
% change	4.2	15.5	-20.4	-3.3	4.3
Change in risk provisions in 2005	9	18	-19	-17	-9
% change	74.2	87.1	-4.8	-1.1	-0.5

In Austria, total credit exposure rose by EUR 2.8 billion, or 4.3%, primarily as a result of increases in retail lending by the Haftungsverbund savings banks and investments by s Versicherung equalling EUR 1.1 billion. The bulk of the growth was recorded in the two best risk classes, as shown in the associated table.

Credit exposure by risk class/Outside Austria

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Total exposure at 31 Dec 2005	73,645	4,080	668	901	79,295
% of total	92.9	5.1	0.8	1.1	100.0
Risk provisions at 31 Dec 2005	84	114	142	555	894
% of exposure	0.1	2.8	21.2	61.5	1.1
Total exposure at 31 Dec 2004	62,644	3,164	578	846	67,233
% of total	93.2	4.7	0.9	1.3	100.0
Risk provisions at 31 Dec 2004	80	86	93	608	868
% of exposure	0.1	2.7	16.1	71.9	1.3
Change in total exposure in 2005	11,001	915	90	55	12,062
% change	17.6	28.9	15.6	6.6	17.9
Change in risk provisions in 2005	4	27	48	-54	26
% change	4.9	31.5	51.9	-8.8	3.0

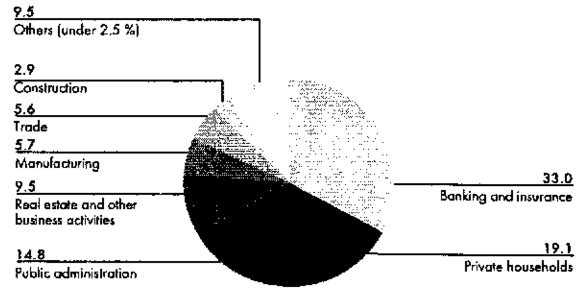
Credit exposure outside Austria increased by nearly EUR 12.1 billion, or 17.9%. This increase was driven mainly by the interbank transactions and securities business of Erste Bank AG and the growth in lending volume in Central Europe. Here as well, as shown in the table above, the increase was almost entirely concentrated on the two best risk classes.

CREDIT RISK BY SECTOR

As in previous years, sector exposure was concentrated mainly in banking and insurance, private households and public administration. Combined, these sectors accounted for approximately two-thirds of total exposure. These sectors were followed by real estate and other business services, manufacturing and trade. With the exception of construction, all the other sectors accounted for less than 2.5% of the total. Thus once again the sector mix was balanced, with an appropriate degree of risk diversification.

The sector distribution at Group level is representative of most individual companies in Erste Bank Group. The Group is very much a retail bank, with a largely uniform risk structure. Any deviations from this pattern are found mainly at companies with specialised products, such as s Bausparkasse, s Wohnbaubank (real estate) and Immorent (leasing).

Credit risk by sector in 2005 (in %)



Credit risk by sector/Total

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Agriculture and forestry	639	453	66	76	1,234
Mining	347	551	43	22	963
Manufacturing	5,859	1,547	517	457	8,379
Energy and water supply	1,134	259	30	11	1,435
Construction	2,846	913	213	301	4,274
Trade	5,186	1,942	564	483	8,175
Tourism	1,422	1,255	335	405	3,417
Transport and communication	1,942	612	196	184	2,933
Banking and insurance	47,514	799	66	40	48,419
Real estate and other business activities	9,414	3,707	374	524	14,019
Public administration	21,411	217	13	23	21,664
Healthcare and social services	678	412	31	44	1,166
Other services	1,137	581	105	140	1,964
Private households	25,063	1,442	418	1,111	28,033
Other	703	62	2	10	778
Total	**125,296**	**14,751**	**2,973**	**3,833**	**146,853**

Credit risk by sector/Austria

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Agriculture and forestry	305	391	50	55	802
Mining	80	293	35	16	424
Manufacturing	2,784	1,016	313	335	4,448
Energy and water supply	423	139	14	9	587
Construction	2,045	782	202	273	3,302
Trade	2,830	1,340	485	398	5,052
Tourism	878	1,027	308	336	2,549
Transport and communication	1,008	411	84	86	1,588
Banking and insurance	12,345	215	37	14	12,610
Real estate and other business activities	5,619	2,956	328	453	9,355
Public administration	5,846	57	7	3	5,912
Healthcare and social services	564	368	27	38	997
Other services	624	487	70	91	1,272
Private households	16,225	1,176	344	822	18,566
Other	76	14	1	4	95
Total	**51,651**	**10,672**	**2,305**	**2,932**	**67,559**

The EUR 2.8 billion increase in overall credit exposure in Austria resulted from a EUR 3.2 billion increase in the private household, banking and insurance and real estate and other business services sectors, which was partially offset by declining exposure in other sectors.

Credit risk by sector/Outside Austria

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Agriculture and forestry	334	62	16	21	433
Mining	267	257	8	7	539
Manufacturing	3,074	530	204	123	3,931
Energy and water supply	711	119	16	2	848
Construction	802	131	11	29	973
Trade	2,356	602	79	85	3,123
Tourism	545	228	26	69	868
Transport and communication	934	202	112	98	1,345
Banking and insurance	35,170	584	29	26	35,809
Real estate and other business activities	3,795	751	46	71	4,664
Public administration	15,566	161	6	20	15,752
Healthcare and social services	114	44	4	7	168
Other services	514	94	35	50	692
Private households	8,838	266	74	289	9,467
Other	628	48	2	6	683
Total	**73,645**	**4,080**	**668**	**901**	**79,295**

Outside Austria, the banking and insurance and public sectors accounted for EUR 6.3 billion of the overall EUR 12.1 billion increase in risk exposure. The private household sector's exposure also rose by a significant 47.0%, or EUR 3.0 billion. The growth in retail lending in Central Europe accounted for the bulk or EUR 2.5 billion of this increase.

In 2005, the non-Austrian share of risk exposure increased from 51% of the total to 54%. However, no significant change in Erste Bank Group's overall risk exposure resulted from this.

CREDIT RISK BY REGION

In the following table, credit exposure is broken down by the home country of the borrower; the distribution among the Erste Bank Group subsidiaries can be seen in the breakdown by segments.

The overall increase of EUR 14.9 billion broke down as follows: EUR 2.8 billion, or 19% in Austria, EUR 8.4 billion or 56% in the central European home markets EUR 2.8 billion or 19% in other EU and industrialised countries and EUR 0.9 billion or 6% in emerging markets.

Credit risk by region

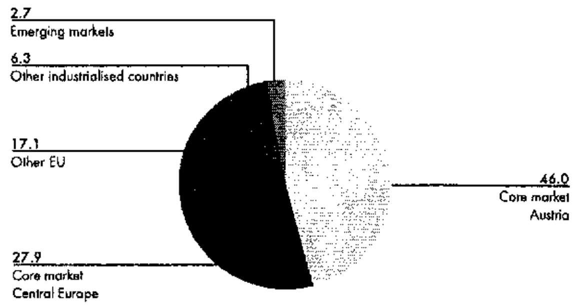
in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure
Core market	89,322	12,890	2,826	3,537	108,575
Austria	51,651	10,672	2,305	2,932	67,559
Croatia	4,090	516	143	136	4,885
Romania	253	17	1	0	271
Serbia	275	12	45	21	354
Slovakia	6,010	418	161	83	6,671
Slovenia	1,120	188	18	35	1,362
Czech Republic	18,014	432	87	197	18,730
Hungary	7,909	635	66	134	8,743
Other EU	24,059	852	73	198	25,182
Other industrialised countries	8,815	274	39	69	9,197
Emerging markets	3,101	736	34	28	3,899
Southeastern Europe / CIS	623	240	2	0	865
Asia	1,133	93	0	3	1,229
Latin America	757	65	31	2	855
Middle East / Africa	588	338	1	23	949
Total	**125,296**	**14,751**	**2,973**	**3,833**	**146,853**

The volume increase in Central Europe resulted from both organic growth at the subsidiary banks and increased cross-border lending, especially at Erste Bank AG. In the other EU and industrialised countries, interbank transaction volume increased.

Erste Bank Group's core markets and the European Union accounted for 91% of the Group's overall risk exposure.

Volume in the emerging markets increased by a total of EUR 0.9 billion but at 2.7% remained relatively insignificant.

Credit risk by region in 2005 (in %)



CREDIT RISK BY SEGMENT

This section describes the composition of credit exposure based on reporting segments. Exposure is allocated based on the domicile of Group entities that carry the credit risk on their books.

Credit risk by segment

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total exposure	Non-performing loans	Total risk provisions	NPL Coverage in%
Austria	75,544	12,267	2,431	3,275	93,517	3,275	2,168	66.2%
Central Europe	32,915	1,699	470	500	35,584	500	602	120.4%
International Business	16,439	784	72	58	17,353	58	116	199.8%
Corporate Center	397	1	0	0	398	0	0	
Total	**125,296**	**14,751**	**2,973**	**3,833**	**146,853**	**3,833**	**2,886**	**75.3%**

The differences in provisioning levels for the segments resulted from the risk situation in the respective markets, regulatory requirements and the local legal environment.

NON-PERFORMING LOANS (NPLs) AND RISK PROVISIONS

Credit assets are classified and reported as non-performing if one or more of the default criteria set out by Basle II are met. The NPL amounts presented here constitute gross volumes, meaning that collateral has not been deducted.

On average in the Group, risk provisions covered 75.3% of reported NPLs. As NPLs include secured outstandings, this level can be considered sufficient, especially when taking into account the actual loss experience given default. By adopting the Basle II definition of default in 2002, Erste Bank chose a conservative approach.

In 2005, NPL fell slightly by EUR 46 million, or 1.2%, to EUR 3,833 million. A slight increase in Central Europe related to the consolidation of Erste Bank Serbia was offset by declines in Austria and the international business. Meanwhile, risk provisions for NPLs rose to EUR 2,886 million (up EUR 17 million, or 0.6%), with in particular an increase in risk provisions in Central Europe as a result of the first-time inclusion of Erste Bank Serbia. This resulted in a 1.3 percentage point increase in NPL coverage through risk provisions versus last year.

CREDIT RISK SEGMENT REPORT

AUSTRIA

In 2005, Austria's stable but modest economic growth and higher energy prices caused many companies to implement capacity-adjustment, cost-reduction and productivity-enhancing programmes. Larger companies cleaned up their balance sheets, and demand for credit softened as margin pressures increased.

In 2005, Austria had 7,056 bankruptcies, up 11.7% from the previous year. The corresponding bankruptcy liabilities contracted by 4% to EUR 2.4 billion, however. Household bankruptcies rose by nearly 16% last year to reach 6,460. This development was instigated by improved debtor education and the economic environment. Further increases are expected for 2006.

Corporate bankruptcies in Austria in 2005

	2005	2004	Change
Total bankruptcies	7,056	6,318	+ 11.7%
Estimated bankruptcy liabilities in EUR	2.4 billion	2.5 billion	- 4.0%

Household bankruptcies in Austria in 2005

	2005	2004	Change
Total bankruptcies	6,460	5,573	+ 15.9%
Estimated bankruptcy liabilities in EUR	763 million	697 million	+ 9.5%

Sources: WIFO, KSV.

Savings Banks

In 2005, the risk exposure of the Haftungsverbund savings banks increased by EUR 1.6 billion, or 5.2%, to EUR 33.1 billion. Their share relative to the overall total contracted to 22.5% as a result of below-average growth. Non-performing loans contracted by 2.3%, and their share relative to the total loan volume for Haftungsverbund savings banks contracted slightly from 5.2% to 4.9% even as the cover ratio through provisions increased to 77.4%.

Foreign risk exposure increased from 11.3% to 13.3%, mainly in the core market. No major changes occurred in the sector distribution, with the exception of household exposure, which as a share of the overall total increased by 1.8 percentage points to 28.7%. Once again, private households and real estate represented the largest sectors.

Since the savings banks are regional institutions, credit growth varied according to local economic conditions. Retail lending tended to increase at a stronger rate than did corporate credit.

Retail and Mortgage

In 2005, the retail and mortgage credit exposure of Erste Bank and its subsidiaries assigned to this segment – notably Salzburger Sparkasse, Tiroler Sparkasse, s Bausparkasse, s Wohnbaubank and s Versicherung – increased by EUR 28.3 billion. Non-performing loan exposure decreased by 8.8% to EUR 1.0 billion.

Retail. Rating systems for retail clients are implemented comprehensively and effectively support risk mitigation.

The rating system implemented in late 2004 for small business and professional clients, which enables a rapid assessment of their risk situation and thereby the possibility to adopt early measures to avoid or minimise risk, is already providing initial results. Moreover, since the second half of 2005, clients in sectors with a higher default risk are subject to a special review procedure.

The risk management system will be further enhanced in 2006 through the scheduled launch of risk assessment software for new credit applications (credit analysis).

Mortgage. The satisfactory quality of the loan portfolio at all of Erste Bank's specialised mortgage financing units was managed successfully once again through the continued application of a conservative credit risk policy. Lending volumes increased by around 3%, with the low risk class continuing to account for a relatively high percentage of the overall total (75%). Management attention class exposure increased by around 18%, while the substandard and non-performing class exposures contracted by 14.5% and 5.1%, respectively.

The residential construction loan portfolio of s Bausparkasse der österreichischen Sparkassen AG, well secured through mortgages and broadly diversified throughout Austria, remained characterised by its traditional low default risk. s Wohnbaubank AG's lending situation is also noteworthy, with a well-structured portfolio that so far has remained free of default.

SME business. The successful completion of the restructuring started in 2003 yielded good results in the SME business unit in 2005. In that context, the volume of low risk credit exposure increased by 17.2%, while volumes in the management attention, substandard and non-performing classes decreased by 3.3%, 23.3% and 14.4%, respectively. With the addition of new clients and expansion of loans with lower default risk, overall credit volume increased by 2.1% relative to the previous year.

In 2005, the unsecured portion of loans was further reduced through successful maintenance of the business focus. This was achieved mainly through strict collateral requirements, risk-adjusted pricing and the selective addition of new clients.

In terms of sector distribution, lending was concentrated mainly on manufacturing, trade and other business services.

Large Corporates

In 2005, the risk exposure of the credit portfolio was further reduced. Volume in the substandard risk class contracted significantly by 66.3%, while the management attention and non-performing classes increased by only 5.5% and 2.0%, respectively.

In the area of property and project financing, lending volume increased by a slight 1.2% in 2005, while the portfolio's risk exposure and collateral coverage improved. Volume in the low risk class increased by around 47%, while volumes in the management attention, substandard and non-performing classes contracted by 10.7%, 86.7% and 12.7%, respectively.

No defaults were observed in this subsegment last year. The quality of the portfolio was further improved, and ample provisions have been established to cover the few remaining risks. In terms of the portfolio's sector composition, real estate and other business services accounted for some 71%, while tourism made up around 22%.

Trading and Investment Banking

In the treasury business (money market, derivatives business, securities business), Erste Bank assumes mainly partner risks with banks and sovereign borrowers, for which a limit is established and adjusted where necessary. To a limited extent, the treasury business assumes some corporates-related risks.

CENTRAL EUROPE

Česká spořitelna

The quality of overall loans to customers (EUR 9.8 billion) improved in relative terms. Despite the substantial lending volume growth in 2005, the relative share of non-performing loans – loans more than 90 days overdue – decreased from 1.8% to 1.6%. The overall volume of non-performing loans changed only slightly, rising from EUR 136 million to EUR 144 million.

Regarding the quality of individual client segments, the corporate and retail portfolios were marked by contrasting trends. The quality of corporate loans improved significantly due to a positive economic environment, which resulted in an extremely low level of defaults. The corporate portfolio still contains EUR 33 million in historical non-performing loans in the work-out stage.

While the retail segment lending portfolio continued to grow significantly in 2005, its share of non-performing loans remained stable at 2.3%. In absolute terms, they increased by EUR 26 million. This increase was driven almost solely by a new consumer lending product.

In 2005, the volume of loan loss reserves decreased from EUR 192 million to EUR 174 million mainly due to increased usage of existing reserves. Coverage of non-performing loans by total loan loss reserves decreased to 121% (compared with 141.4% at end-2004).

Slovenská sporiteľňa

Loan loss provisioning and asset protection remained on a very comfortable level, the share of non-performing loans declined from 7% at end-December 2004 to 3.6% last year, with an adequate provision level of approximately 60%. Including collateral, NPL coverage remained at more than 90% on average. Due to the switch from the previous National Bank category to a new internal rating risk assessment and provisioning system (in accordance with IAS 39 requirements) the detailed provisioning figures for 2004 and 2005 are not directly comparable, but the total coverage remains comfortable.

Erste Bank Hungary

The general quality of the credit portfolio improved last year. In retail lending this was due to regular monitoring of non-performing loans, while in corporate lending this was due to the restructuring of the corporate work-out department and the establishment of an intensive care unit, which led to a recovery rate of nearly 90%.

In 2005, the non-performing loan volume decreased from 2.4% to 2.3% of total lending volume. Coverage of non-performing loans by specific provisions increased from 48.5% to 50.0%.

Erste Bank Croatia

Erste Bank Croatia posted positive trends in all parts of the portfolio in 2005.

With the exception banks and the public sector, the total exposure coverage through the overall risk provisions was permanently lowered thanks to a strong increase in the portfolio and good work-out collection. Their combined impact was a reduction in risk provisions.

In the area of corporate lending corporate work-out collection in the first quarter, resulted in a strong decrease in specific provisions. The risk distribution was positive throughout the year in both absolute and relative terms. The relative share of the low risk class increased from 77.5% to 80.6%, and portions of all other rating classes, especially non-performing loans, were permanently lowered.

Erste Bank Serbia

Erste Bank Serbia was consolidated into Erste Bank Group for the first time in 2005. The loan portfolio of EUR 149 million is small from a group perspective and it is 36.2% covered by risk provisions. In the usual integration project the risk management function will be upgraded to Erste Bank standards.

INTERNATIONAL BUSINESS

Credit risk developed favourably in the International Business segment. Thanks to the low level of new defaults, the volume of non-performing loans decreased. In contrast risk provisions decreased only slightly, resulting in a NPL coverage ratio of nearly 200%.

Financial Statements

Consolidated Financial Statements 2005 (IFRS)

I. Consolidated Income Statement of Erste Bank for the year ended 31 December 2005

in EUR thousand	Notes	2005	restated *) 2004
Interest and similar income		5,809,085	5,232,137
Interest paid and similar expenses		-3,014,857	-2,571,807
Net interest income	1	**2,794,228**	**2,660,330**
Risk provisions for loans and advances	2	-421,596	-406,185
Fee and commission income		1,545,213	1,358,449
Fee and commission expenses		-288,440	-223,060
Net commission income	3	**1,256,773**	**1,135,389**
Net trading result	4	241,705	216,481
General administrative expenses	5	-2,676,920	-2,594,938
Income from insurance business	6	36,663	36,860
Other operating result	7	-16,127	-51,343
Pre-tax profit for the year		**1,214,726**	**996,594**
Taxes on income	8	-299,977	-277,876
Profit for the year		**914,749**	**718,718**
Minority interests		-203,119	-197,869
Net profit after minority interests	9	**711,630**	**520,849**

*) restated to reflect the effects of applying amended IAS 32 and IAS 39 applied retroactively from 1.1.2005. Detailed explanations are given in Section C. Accounting policies, c) Effects of applying amended and new IFRS and/or IAS

Earnings per share

Earnings per share constitute net profit after minority interests divided by the average number of ordinary shares outstanding. Diluted earnings per share represent the maximum potential dilution (increase in the average number of shares) which would occur if all issued subscription and conversion rights were exercised.

		2005	restated 2004
Net profit after minority interests	in EUR thousand	711,630	520,849
Average number of shares outstanding *)	number	240,145,648	238,576,585
Earnings per share	**in EUR**	**2.96**	**2.18**
Diluted earnings per share	in EUR	2.95	2.16
Dividend per share	in EUR	0.55	0.50

*) including shares held by members of the Haftungsverbund

II. Consolidated Balance Sheet of Erste Bank at 31 December 2005

in EUR thousand	Notes	2005	restated *) 2004
ASSETS			
Cash and balances with central banks	10	2,728,439	2,722,931
Loans and advances to credit institutions	11	16,858,244	15,684,669
Loans and advances to customers	12	80,418,552	72,843,380
-Risk provisions for loans and advances	13	-2,816,668	-2,804,089
Trading assets	14	5,426,142	4,628,261
Fair value through profit or loss and available for sale	15	18,644,121	15,966,590
Financial investments	16, 17, 39	23,610,821	21,925,747
Intangible assets	17	1,910,901	1,823,409
Tangible assets	17	1,687,802	1,722,576
Other assets	18, 19	4,191,920	5,298,445
Total assets		**152,660,274**	**139,811,919**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Amounts owed to credit institutions	20	33,911,518	28,551,355
Amounts owed to customers	21	72,792,861	68,212,546
Debts evidenced by certificates	22	21,291,373	19,710,141
Provisions	23	8,634,695	7,500,472
Other liabilities	24	5,278,847	6,178,548
Subordinated capital	25	4,289,826	3,705,520
Total equity		6,461,154	5,953,337
thereof shareholders' equity	26	4,129,431	3,423,906
thereof minority interests		2,331,723	2,529,431
Total liabilities and shareholders' equity		**152,660,274**	**139,811,919**

*) restated to reflect the effects of applying amended IAS 32 and IAS 39 applied retroactively from 1.1.2005. Detailed explanations are given in Section C. Accounting policies, c) Effects of applying amended and new IFRS and/or IAS

III. Consolidated Statement of Changes in Total Equity

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Share-holders' equity	Minority interests	Total equity 2005	Total equity restated 2004
Equity at 31 December previous year	**483**	**1,429**	**1,512**	**3,424**	**2,529**	**5,953**	**5,174**
Currency translation	-	-	92	92	9	101	126
Changes in own shares	-	-	38	38	-	38	-27
thereof shares acquired	-	-	-613	-613	-	-613	-632
thereof shares sold	-	-	634	634	-	634	591
thereof result	-	-	17	17	-	17	14
Dividends	-	-	-120	-120	-107	-227	-197
Capital increases	3	35	-	38[1]	-	38	31
Profit for the year	-	-	712	712	203	915	719
Other changes	-	-	-55	-55	-302	-357	127
thereof cash flow hedge	-	-	-38	-38	-8	-46	2
thereof available for sale	-	-	-34	-34	11	-23	141
thereof deferred taxes	-	-	17	17	-	17	-35
thereof change of interests in subsidiaries	-	-	-	-	-305	-305	18
thereof other	-	-	-	-	-	-	1
Equity at 31 December	**486**	**1,464**	**2,179**	**4,129**	**2,332**	**6,461**	**5,953**
Cash flow hedge reserve at 31 December				-	8	8	54
Available for sale reserve at 31 December				145	261	406	429
Deferred tax reserve at 31 December				-35	-66	-101	-118

[1] Capital increase from ESOP (Employee Stock Ownership Programme) and MSOP (Management Stock Option Programme).

Changes in number of shares (see also Note 26)

in units	Shares 2005	Shares 2004
Shares outstanding at 1 January	**226,006,062**	**225,138,004**
Acquisition of own shares	-14,890,707	-13,195,346
Disposal of own shares	15,643,831	12,395,744
Capital increase due to ESOP and MSOP	1,740,708	1,667,660
Shares outstanding at 31 December	**228,499,894**	**226,006,062**
Own shares *)	14,683,706	15,436,830
Number of shares at 31 December	**243,183,600**	**241,442,892**
Average number of shares outstanding	240,145,648	238,576,585

*) including shares held by members of the Haftungsverbund